

KENT COUNTY BOARD OF COMMISSIONERS

Thursday, June 9, 2016

Room 310, Administration Building

Dispatch Surcharge

- WORK SESSION -

Meeting called to order at 7:30 a.m. by Chair James R. Saalfeld.

Present: Commissioners Antor, Bolter, Brieve, Bulkowski, Chivis, Hennessy, Jones, Kallman, Koorndyk, Mast, Morgan, Ponstein, Shroll, Stek, Talen, Vander Molen, Vonk, Voorhees, Chair Saalfeld - 19.

Absent: None.

(Handouts include: A copy of the PowerPoint presentation and the Millage Subcommittee's Report and Recommendation for a Dispatch Surcharge (dated May 25, 2016).

OVERVIEW

Administrator Delabbio explained that dispatch has two functions: 1) call taking; and, 2) dispatch. In Kent County there are two Public Safety Answering Points (PSAPS) - Kent County and City of Grand Rapids. The number of calls received and dispatched are roughly split 50/50. All of the call taking is coordinated through the Kent County Dispatch Authority (KCDA).

The KCDA was established in 2006. The County currently levies a \$0.45 per line/month surcharge on cell phones and land lines. The State sends \$0.19 per line/month back to the KCDA. Monies from the surcharge purchased a computer aided dispatch (CAD) system and other equipment. However, the current system needs to be updated. The State and other agencies are going to an 800 MHz system. Everyone concurs that Kent County's current system is very effective and efficient, but the current system must be upgraded.

Fire Dispatch

There have also been issues on how local units of government pay or have not paid for the fire dispatch element of public safety dispatch. Until last year, there was no formalized agreement or a methodology in place in terms of how local governments paid. Most of the cities and three of the townships did pay the County for fire dispatch but the rest did not.

A three-year cost sharing methodology for fire dispatch was developed and now the County pays 25 percent of the cost. The agreement is a temporary fix – equity issues still exist between cities and townships. The agreement for fire dispatch expires at the end of 2017. Hence the need for a solution after 2017. Will a ballot question be placed before the voters? If so and the ballot question fails, what then?

PRESENTATION

Dispatch services are funded by general fund dollars and surcharge revenue.

Current surcharge rate:

- \$0.45/month (County)
- \$0.19/month (State)

Despite growing demand, the County surcharge rate has not increased since 2008.

The common misconception is that “per line” means “per line.” Multi-line owners pay for the first 10 lines plus one line for every ten thereafter (i.e., 100 phone lines get charged as 19 lines). Mobile devices are charged per line.

The Project Components

- Upgrade to 800 MHz system
- Subsidize fire dispatch throughout the County

Funding Proposal

Total funding needed annually

- \$1.8 million – capital costs
- \$2.0 million – fire subsidy
- \$3.8 million – total

The proposal would increase the present surcharge (\$0.45) by \$0.70 for a total of \$1.15.

Timeline:

To meet the August 16 deadline for submitting a ballot question to the County Clerk:

- | | |
|----------------------|---|
| • June 21, 7:30 a.m. | Board of Commissioners Work Session II (if necessary) |
| • June 21, 8:30 a.m. | Finance & Physical Resources Committee |
| • July 12, 8:30 a.m. | Legislative & Human Resources Committee |
| • July 21, 8:30 a.m. | Board of Commissioners Work Session III (optional) |
| • July 28, 8:30 a.m. | Board of Commissioners action |

Q & A

Com. Vonk: What is the cost of components for the roll out?

Undersheriff Young: It will cost \$25,000,000 to transition all radios (5,000) to 800 MHz, to upgrade towers and to lease a third tower. Additional portable radios, mobile radios and fire pagers are needed. Of the 12 tower sites, two would be torn down and rebuilt and a new one leased.

Administrator Delabbio: The County will pay for the initial investment of radios and pagers but future replacement, etc., would be the obligation of the local units.

Com. Jones: Will the upgrade allow texting 911 and call 911 without speaking?

Undersheriff Young: Future transition plans include that but the \$25,000,000 is just for radios. The \$0.19 that the State collects goes into a technical and training fund and some goes to the County for dispatch authority costs. Beginning next month, the amount will be reduced to \$0.18.

Com. Antor: Does Kent County own the land where our towers sit?

Undersheriff Young: Kent County owns the land at the vast majority of sites.

Com. Antor: Is there any legislation to compel telecommunication companies to collect what is truly owed?

Administrator Delabbio: There have been discussions about this and is a legislative priority.

Chair Saalfeld: This is a high priority for the Legislative Committee.

Com. Stek: If we approve infrastructure upgrades, are we positioned to consolidate?

Undersheriff Young: These improvements are needed in order to consolidate.

Com. Stek: How will the rest of needed capital improvements be paid for?

Undersheriff Young: We are on a good path but may still need general funds or an additional surcharge. Currently, maintenance of the CAD system, phone system and infrastructure costs \$1,000,000.

Administrator Delabbio: Would recommend that the \$300,000-\$400,000 that the County now pays for fire dispatch be placed in the capital improvement program.

Undersheriff Young: Smart 911 is not part of this project but could be added in the future.

Chair Saalfeld: We cannot do Smart 911 because of so many capital needs. The surcharge increase would free up other funds that could then be used to implement Smart 911, which is the intent.

Administrator Delabbio: The bond rate of 4 percent is only an assumption. Our recent bonds are at 2.8 percent.

Com. Vander Molen: Why is the surcharge revenue on cell phones flat when cell phone numbers are rising?

Undersheriff Young: 80 percent of 911 calls are on cell phones. The issue is that there is no accounting by the telecommunication companies. Also, a large number of people are using prepaid phones. That money is collected at the state level and then gets filtered to other funds before it gets back to us. So, we do not receive the \$0.45 surcharge on prepaid phones.

Com. Vander Molen: How much extra would be raised if the surcharge request was \$0.80 instead of \$0.70?

Randy DeBruine: Each \$0.10 raises \$650,000.

Com. Vander Molen: Not sure if the \$0.70 is going to get dispatch where it needs to be.

Chair Saalfeld: The goal was not to ask for more than needed. We have to balance everything and not ask for more than what is needed.

Undersheriff Young: The \$0.45 surcharge has allowed dramatic improvements and the citizens have absolutely gotten their money's worth.

Com. Vander Molen: It would be extremely helpful to have talking bullet points - what we have done with the money and what we expect to do in the future.

Com. Bulkowski: Is concerned with who is absent from the room today. (i.e., Steve Duarte to talk about financials). Who will be running the campaign?

Administrator Delabbio: The County cannot advocate, only educate. It is the same with the Dispatch Authority. Advocacy is needed.

Com. Mast: Is there a way to breakdown current and future costs?

Administrator Delabbio: Yes.

Com. Bolter: Would like a breakdown on financials. How much would be raised, how much is needed, bond information, etc.?

Com. Bolter: Can you explain the gap in service for Alto?

Undersheriff Young: Alto is a low terrain area and difficult to build a tower site. Coverage is difficult.

Com. Bolter: Would like to see this fixed.

Chair Saalfeld: Please submit any questions in writing before the next work session on June 21.

Public Comment

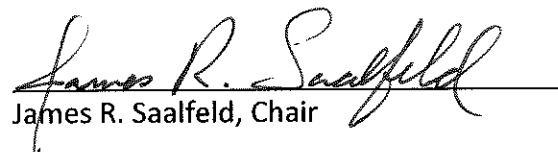
There was no public comment.

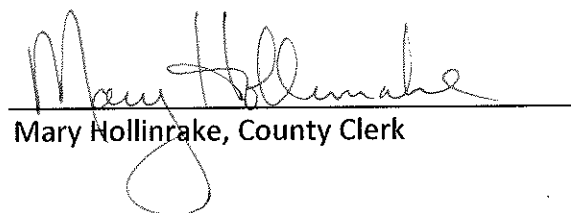
Other Business

There was no other business.

ADJOURNMENT

At 8:30 a.m., Chair Saalfeld adjourned the work session.


James R. Saalfeld, Chair


Mary Hollinrake, County Clerk